RIGHTS OF MORTGAGEE OF FIXTURES AGAINST MORTGAGEE OF LAND. — In the recent case of *Reynolds* v. *Ashby*, 72 L. J. K. B. D. 51, the English Court of Appeal held that a prior mortgagee of the realty would be allowed to take machines affixed to the land under an agreement between the owner of the premises and the vendor of the machines that they should remain the property of the latter until paid for. In the earlier case of *Hobson* v. *Gorringe*, [1897] 1 Ch. 182, a subsequent mortgagee of the land was also preferred to the vendor of the machines. The weight of authority in this country is opposed to the case of *Reynolds* v. *Ashby*. *Campbell* v. *Munson*, 44 N. J. Eq. 244; *contra*, *Frankland* v. *Moulton*, 5 Wis. 1. The decision in *Hobson* v. *Gorringe* is in accord with the general American law. *Davenport* v. *Shants*, 73 Vt. 546; *contra*, *Ford* v. *Cobb*, 20 N. Y. 344.

In a recent article the author expresses his disagreement with both the English cases. *The Incidental Passing of Fixtures*, by John Indermaur, 25 L. Stud. J. 59 (March, 1903). In dealing with the case of *Hobson* v. *Gorringe*, Mr. Indermaur advances a novel idea. On account of the "common custom to let out machines and engines on the hire system," he would charge a subsequent encumbrancer of the land with constructive notice of the rights of the owner of the chattels. He justifies this by the following sentence: "As matters stand, I do not see how that particular branch of the trade is to go on, for a person . . . cannot in any way protect himself against the possibility of a subsequent mortgage." In order to appreciate the precise question, it would seem necessary to keep in mind that "*Quicquid plantatur solo, solo cedit*" is the rule of our law, and that the privileges of removing domestic and trade fixtures accorded to certain persons, such as leasehold-tenants and tenants for life, are exceptions to the rule, established from considerations of public policy. See *Elwes* v. *Maw*, 3 East 38. Thus the requirements of the early development of this country were held to justify an exception, refused in England, in favor of erections for agricultural purposes. *Van Ness* v. *Pacard*, 2 Pet. (U. S. Sup. Ct.) 137. Mr. Indermaur is really contending for the recognition of another exception in England, in favor of owners of machines and engines, and the correctness of his position would, therefore, seem to turn entirely on the accuracy of his estimate of the demands of public policy. While a presumption of notice such as he suggests would undoubtedly encourage the trade in these articles, it would, on the other hand, cast new and heavy burdens on purchasers and mortgagees of land. In view of the long-settled policy of the English law in favor of the transfer of titles to land unencumbered it would seem that there should be an unmistakable and very strong balance of convenience in favor of the vendor, in order to justify such radical action by the courts as Mr. Indermaur desires. Such balance of convenience, it may be thought, he fails to establish.

Furthermore, it is at least open to question whether such alleged hardship as the author seeks to remedy in England exists at all in this country. A mortgage on machines and engines might well be regarded, after they have been affixed to the land, as an encumbrance on the realty, and as such held entitled to be put on record with real mortgages. If this be true, it would appear that the owner of such articles has ample protection against a subsequent encumbrancer of the land. The existence of a right so to record seems never to have been established by actual decision, but it has been suggested in several cases. See *Trull* v. *Fuller*, 28 Me. 545. Some jurisdictions charge a subsequent encumbrancer of land with constructive notice, when the mortgage on fixtures is recorded simply as a chattel mortgage in the place provided for the filing of such mortgages. *Sowden* v. *Craig*, 26 Ia. 156. But this seems hardly within the spirit of our recording acts, and the weight of authority is against it. *Case Mfg. Co.* v. *Garven*, 45 Oh. St. 289.

GRATUITIES TO EMPLOYEES OF CORPORATIONS. — The United States Steel Corporation has proposed a plan to stimulate its employees to more effective work. The main features are the purchase of its own stock at the market price, the sale of that stock to its employees at a reduction, and payment by the